

This list of questions was sent on January 8, 2019 to the following insurance broker companies: Alliant Insurance Services, Aon P.L.C., Arthur Gallagher, BB&T Insurance Holdings Inc., Brown & Brown, Inc., HUB International, Lockton Cos LLC, Marsh & McLennan Cos. Inc., Willis Towers Watson P.L.C. and USI Insurance Services L.L.C.

Hello - My name is Marshall Allen and I'm a journalist at ProPublica. I'm working in partnership with NPR on a story about the health insurance broker industry. It's part of an ongoing series called "The Health Insurance Hustle," which you can see here:

<https://www.propublica.org/series/the-health-insurance-hustle>

My story is about how brokers work on behalf of employers to get them the best value on their health benefits. But then they also commonly take commissions and bonuses and other perks from insurance companies. I've spoken to ethics experts about this who call this a clear conflict of interest. Of course, I am interested in your perspective on this subject, so I hope you will share it with me.

I am contacting leading broker agencies to ask them whether they take various types of commissions and bonuses, and other perks, and I'm also doing a thorough examination by speaking to other sources. So I would like you to please answer the following questions about whether or not your agency takes each of the following types of commissions and/or bonuses and/or perks.

Most of the questions require "yes" or "no" answers. I have spoken to many industry experts who tell me your company should immediately know these answers, so it should not be onerous to provide them. If you have any questions, please do not hesitate to call me on my cell: [REDACTED]
[REDACTED]

I am working on a deadline, so I need the answers to all these questions by the end of the day Friday, January 11. I will be reporting your responses. If you do not respond I will mention that you did not respond to the questions.

1. Does your company get paid any commissions from insurance companies for employer sponsored health benefits? (Yes or no)
2. Does your company get paid bonuses from health insurance companies related to employer sponsored health benefits? (Yes or no)
3. Does your company receive any trips, meals, gifts or other perks from health insurance companies related to employer sponsored health benefits? (Yes or no)
4. Does your company get paid bonuses and/or commissions from health insurance companies based on the loss ratio (or the profitability of the plan for the insurer) of an employer sponsored health plan? (Yes or no)
5. Does your company get paid bonuses and/or commissions from health insurance companies based on the overall volume (including all business or new business) of employer sponsored health plan members or groups? (Yes or no)
6. Does your company get paid bonuses and/or commissions from health insurance companies based on the retention of employer sponsored health plan members or groups? (Yes or no)

7. Does your company ever participate in “no shop” or “no market” offers on behalf of insurers, where an insurer offers a bonus or commission that’s contingent on your broker not shopping the employer’s benefits to other insurers? (Yes or no)
8. Does your company ever participate in insurance company provided vacations or trips or meals or other perks, based on the volume or retention of employer sponsored groups? (Yes or no)
9. Does your company **always** disclose **all** bonus and commission money, and any other trips, meals or perks, to each employer group whose business may have qualified your company for the money or the perks? (yes or no)
10. Does your agency participate in any fee-only payment agreements, where the **only** income you receive is coming directly from the employer who is purchasing the health benefits? (yes or no)
11. Does your agency participate in any payment arrangements where the employer pays you directly for health benefits **and** your broker or agency takes a commission or a bonus from the insurance company? (yes or no)
12. If you said “yes” to number 11 -- Do you **always** tell the employers who are paying you directly that an insurance company is also paying you a bonus, commission or other perk that’s based on that employer’s benefits? (Yes or no)
13. If you do take direct payments from employers, what percentage of your benefit revenue is fee-based and what percentage is commission- or bonus-based?
14. Ethics experts say it creates a conflict of interest for brokers to claim to represent the interests of employers and then get paid by the health insurance industry. Will you please provide your perspective, to explain why you represent employers who are purchasing health benefits, but then also get paid by the health insurance companies?
15. Is there anything else you would like to add? If so, please share!

Thank you for taking the time to share this information with me. I look forward to seeing your responses.

Marshall